

# Philadelphia, PA

U.S. Construction Market | Market Snapshot Q2 - 2022

Comparing urban areas across America, Philadelphia and Pittsburgh have struggled to recover since the pandemic, showing lackluster economic performance with job levels still below pre-pandemic times. Philadelphia remains 2.5% below its number of jobs before the pandemic. Median multifamily rents are up 16.6% in Philadelphia. Job postings staying high while employment has dropped can reflect a lack of growth for a city, more retirements, or workers unable to return to the workforce due to family obligations or a lack of skills. The problem confronting Philadelphia is the problem confronting

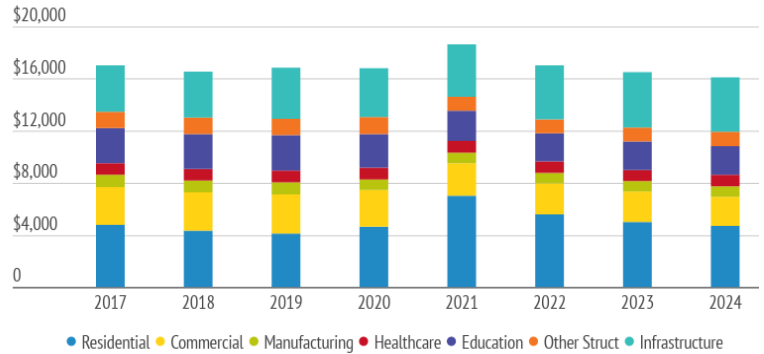
all of Pennsylvania's cities: a shrinking state population and economic growth that lags behind other regions of America like the South and the West. The pandemic did not cause a drastic change in the economy so much as accelerated or enhanced existing problems. As The Center Square has previously reported, people and wealth continue to leave the commonwealth, city tax burdens can be high, and labor shortages have driven a sense of economic malaise. Rising housing costs also make it harder for young or less-wealthy people to find their footing in Pennsylvania.

## Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)

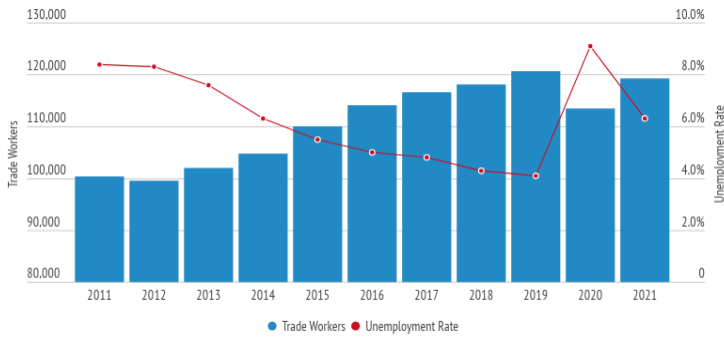
Sector	HISTORIC  FORECAST								
	2017	2018	2019	2020	2021	2022	2023	2024	
<b>Total Increase</b>	Y-O-Y %	-2.8%	1.8%	-0.2%	10.8%	-8.7%	-3.1%	-2.4%	
Residential	Y-O-Y %	-9.2%	-4.8%	12.5%	50.9%	-19.9%	-10.6%	-6.8%	
Commercial	Y-O-Y %	1.8%	0.6%	-6.1%	-10.3%	-6.2%	-1.4%	-2.2%	
Manufacturing	Y-O-Y %	-3.3%	5.7%	-13.0%	0.7%	-1.5%	-1.2%	0.3%	
Healthcare	Y-O-Y %	-3.8%	0.6%	-1.4%	0.9%	-3.8%	0.1%	0.9%	
Education	Y-O-Y %	-0.4%	1.6%	-4.1%	-12.2%	-5.1%	0.0%	0.8%	
Other Struct*	Y-O-Y %	2.4%	1.4%	3.0%	-14.6%	-5.5%	3.4%	3.3%	
Infrastructure	Y-O-Y %	-1.1%	10.5%	-4.0%	6.2%	3.8%	1.6%	-1.5%	

\* This includes religious buildings, amusement, government communications, and public recreation projects.

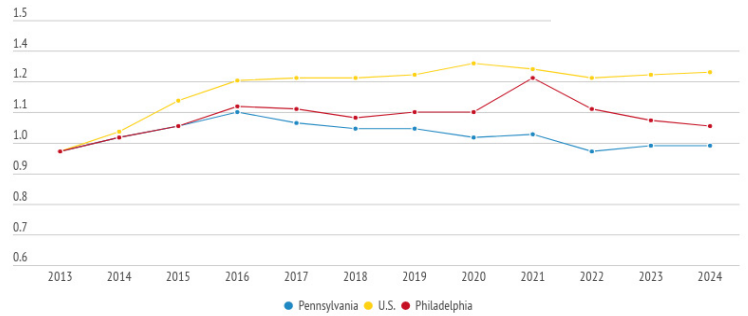
## Annual Volume (x\$1M, 2012\$)



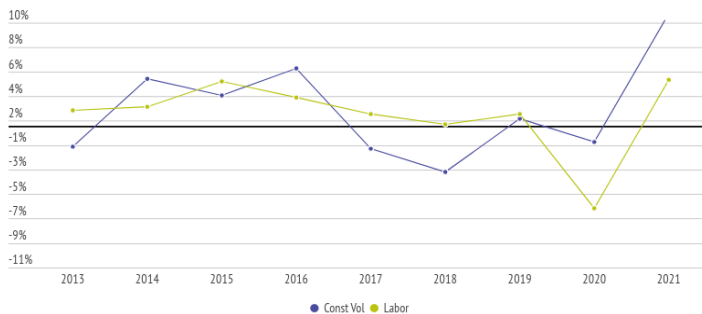
## Regional Construction Employment



## Construction Spending Index 2013-2023 (2013=1.0)



## Construction Volume vs Labor - Annual Increase/Decrease



## Top Regional Projects Sorted by Construction Value

Project	Location	Value
ExxonMobil Petrochemical Plant	Beaver	\$10.0B
Penn America Energy Liquid Natural Gas Plant	Philadelphia	\$7.0B
30th Street Station District Plan / Philadelphia	Philadelphia	\$6.5B
Nacero Gasoline Manufacturing Development / Nanticoke	Nanticoke	\$6.0B
Pennovation Center Life Sciences Facility	Philadelphia	\$3.6B
River Pointe Logistics	Mount Bethel	\$3.2B
Philadelphia Navy Yard Redevelopment	Philadelphia	\$2.6B
King of Prussia Rail Project - SEPTA	Norristown	\$2.0B
New Inpatient Tower - Children's Hospital of Philadelphia	Philadelphia	\$1.9B
Keystone Trade Center Phase 1 - Buildings 1, 2 & 3	Lower Makefield Township	\$1.5B

SOURCE: ReedConnect